THE FEDERAL SAVINGS BANK
Co. NMLS# 411500
Member FDIC
EQUAL HOUSING LENDER

Ted Rood
Branch Manager, Gen Way Home Mortgage
NMLS #543290
O Fallon, Missouri 63368

Office: 3147400004
Mobile: 314-740-0004
ted_rood@yahoo.com

For Markets, Political Spotlight Shifts From US to Europe

In last week's newsletter, we discussed a series of wild cards hitting the table and their impact on financial markets. Specifically, the potential reversal of post-election optimism helped interest rates break below 2017's narrow range. But that was just one small example of **much bigger uncertainty**. Sooner or later, markets will have to decide what's most important and trade accordingly.

Domestic Fiscal Policy Wild Cards

One of the key takeaways from the presidential election was that a Trump administration was more likely to create growth and inflation than a Clinton administration. That's not necessarily how financial media portrayed the market reaction **BEFORE** the election, but that's certainly how traders responded **AFTER** the election.

In other words, rates and stock prices moved higher. There's no telling whether it was **actual** optimism for growth and inflation (both bad for rates) or a simply investor excitement over potential **tax reform** (great for stocks) that did the trick, but clearly, markets are tuned in to the fate of proposed fiscal reforms.

For now, traders are waiting to see if policies can get off the ground. To that end, rates had second thoughts about continuing deeper into 2017's lows due to the Trump administration's comments on tax reform. In separate headlines, Secretary Mnuchin said Treasury was hard at work on tax reform and Trump himself said a plan that was **bigger than "any tax cut ever"** would be unveiled next week.

Geopolitical Wild Cards

Despite its lingering importance, fiscal drama has taken a back seat geopolitical concerns. Last week, this was all about Syria and North Korea. This week, focus shifted toward Europe.

European markets were closed on Monday. When trading fired up on Tuesday, there was a quick reaction to headlines suggesting British Prime Minister Theresa May wanted to call an **early general election** (with the goal of retrenching support for Brexit-related policies). As far as markets are concerned, Brexit generally equates to lower stocks and rates. British stocks fell the most, but that weakness spilled over into global stock markets and

National Average Mortgage Rates



Mortgage News Daily	Rate	Change	Points
30YR Fixed	7.51%	+0.01	0.00
15YR Fixed	7.04%	+0.01	0.00
30YR FHA	7.08%	+0.03	0.00
30YR Jumbo	7.52%	+0.02	0.00
7/6 SOFR	7.12%	-0.01	0.00
30YR VA	7.10%	+0.03	0.00

Rates as of: 11/16

MBS and Treasury

	Price / Yield	Change
MBS UMBS 6.0	98.70	0.00
10 YR Treasury	5.1266	-0.0076
30 YR Treasury	5.4752	-0.0006

Pricing as of: 11/16 7:30PM EST

Recent Housing Data

		Value	Change
Mortgage Apps	Nov 4	204.6	+6.23%
Building Permits	Sep	1.4M	+0.43%
Housing Starts	Sep	1.22M	-4.24%
New Home Sales	Sep	676K	-1.17%
Pending Home Sales	Aug	71.2	0%
Existing Home Sales	Oct	3.99M	+0.25%
Builder Confidence	Oct	29	-9.38%

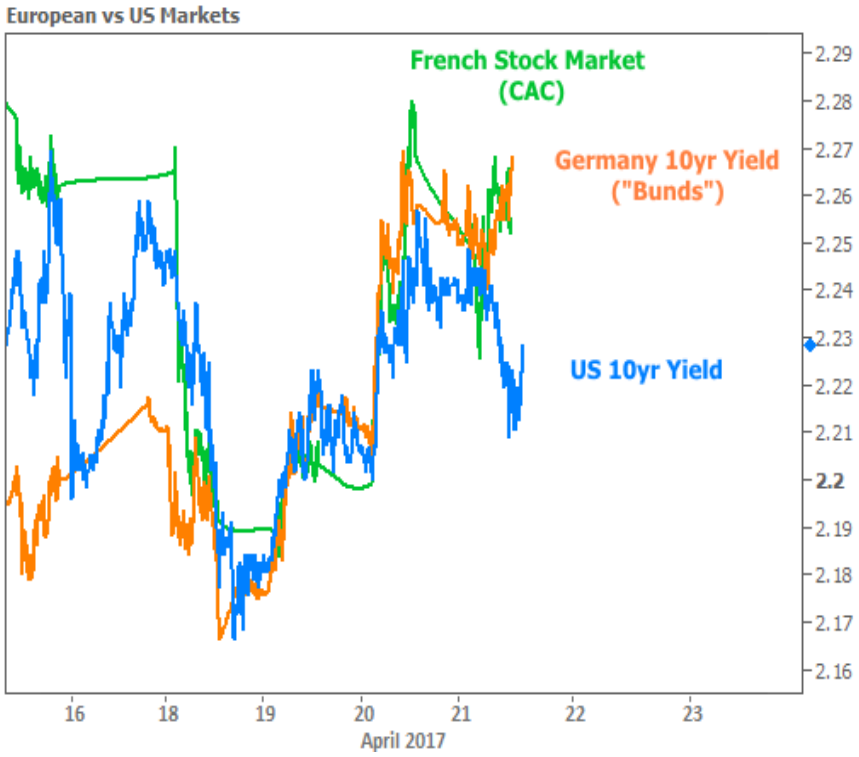
© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tedrood

ultimately provided some benefit for interest rates.

British election surprises quickly gave way to **French** election expectations. It's no mystery that France will elect a new president this weekend, and that one of the candidates is the controversial Marine Le Pen. Much like Brexit, markets view Le Pen as "bad for business." In the second half of the week, Le Pen fell in polls, prompting a surge in French stocks and European bond yields. Here too, the move spilled over to US bond markets, pushing rates slightly higher.



Markets are mostly in position for Le Pen to **lose** on Sunday. Even so, the **confirmation** of that fact would be worth a bit of extra pain for interest rates. If she wins, the response would be much bigger (and likely positive for rates), but we'll cross those bridges in next week's newsletter.

Econ Data and Fed Wild Cards

The state of the economy and the Fed's subsequent policy response to economic conditions remains an ongoing wild card. Does the Fed **really believe** growth and inflation might necessitate tighter monetary policy or are they simply tightening now so they can loosen policy when the economy begins to lose steam? Interestingly enough, Fed members have answered "yes" to **both** those questions recently.

This week didn't tell us much about new evolutions in the Fed's thought process. And we only saw limited instances of new economic data. But the data that came out was generally **positive** for the housing market.

The National Association of Realtors' Existing Home Sales report inched up to its **best levels since 2007**, continuing a trend that's easy to see in the top of the following chart. Government data on new construction was a mixed bag with Housing Starts falling a bit short while Building Permits advanced. Both remain in a solid upward trend. Homebuilder Sentiment was the only major housing report that declined (note: it covers April while the other two covered March). Despite the decline, the bigger-picture trend remains arguably positive, as seen at the bottom of the chart.

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tedrood

This Week's Housing Data



Subscribe to my newsletter online at: http://mortgageratesupdate.com/tedrood

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tedrood

Recent Economic Data

Date	Event	Actual	Forecast	Prior
Monday, Apr 17				
10:00AM	Apr NAHB housing market indx	68	70	71
Tuesday, Apr 18				
8:30AM	Mar Housing starts number mm (ml)	1.215	1.250	1.288
8:30AM	Mar Building permits: number (ml)	1.260	1.250	1.216
9:15AM	Mar Industrial Production (%)	+0.5	0.5	0.1
9:15AM	Mar Capacity Utilization (%)	76.1	76.2	75.9
Wednesday, Apr 19				
7:00AM	w/e Mortgage Market Index	395.6		402.9
7:00AM	w/e MBA Purchase Index	238.3		246.7
7:00AM	w/e Mortgage Refinance Index	1274.5		1272.3
Thursday, Apr 20				
8:30AM	Apr Philly Fed Business Index	22.0	25.0	32.8
8:30AM	w/e Initial Jobless Claims (k)	244	242	234
8:30AM	w/e Continued jobless claims (ml)	1.979	2.004	2.028
Friday, Apr 21				
10:00AM	Mar Existing home sales (ml)	5.71	5.60	5.48
Tuesday, Apr 25				
9:00AM	Feb Monthly Home Price mm (%)	0.8		0.0
10:00AM	Mar New home sales chg mm (%)	+5.8	-0.8	6.1
10:00AM	Mar New home sales-units mm (ml)	0.621	0.583	0.592
10:00AM	Apr Consumer confidence	120.3	122.5	125.6
1:00PM	2-Yr Note Auction (bl)		26	
Wednesday, Apr 26				
7:00AM	w/e Mortgage Market Index	406.2		395.6
1:00PM	5-Yr Note Auction (bl)	34		
Thursday, Apr 27				
8:30AM	Mar Durable goods (%)	+0.7	1.2	1.8
8:30AM	Mar Nondefense ex-air (%)	+0.2	0.5	-0.1
10:00AM	Mar Pending homes index	111.4		112.3
1:00PM	7-Yr Note Auction (bl)	28		
Friday, Apr 28				
8:30AM	Q1 GDP Advance (%)	+0.7	1.2	2.1
9:45AM	Apr Chicago PMI	58.3	56.4	57.7
10:00AM	Apr U Mich Sentiment Final (ip)	97.0	98.0	98.0

Event Importance:

No Stars = Insignificant
☆ Low
★ Moderate
★★ Important
★★ Very Important

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tedrood

Responsive service, experienced expertise

I've dedicated my 26 year mortgage career to client education, superior service, and honest answers. The lending landscape has changed dramatically the past few years, and continues to do so. My job is to ensure client partners' loans close quickly, without surprises, and I take that responsibility very seriously. Referrals are a responsibility I appreciate; they're a measure of trust, and that trust must be earned every day, on every referral.

Ted Rood 

© 2026 MBS Live, LLC. - This newsletter is a service of MarketNewsletters.com.

The interest rates provided in this newsletter are national averages from independent data sources. Rate/APR terms may differ from those listed above based on the creditworthiness of the borrower. All information provided "as is" for informational purposes only, not intended for trading purposes or financial advice.

Read or subscribe to my newsletter online at: http://mortgageratesupdate.com/tedrood